

2022 Shareholder Resolution Brinker International Inc | Disclosure of Antibiotics Use in Meat Supply Chains

WHEREAS: The World Health Organization considers antimicrobial resistance one of the most urgent health challenges of our time. When bacteria, viruses, fungi and parasites become resistant to antibiotics and antivirals, among others, these life-saving drugs become useless. ^{1,2} By 2050, antimicrobial resistance could cause an estimated 300 million premature deaths and up to \$100 trillion in economic damage.³

The use of antibiotics in animal agriculture is a major contributor to antimicrobial resistance.⁴ Nearly two-thirds of antibiotics sold for use in the U.S. are used in food animals, and studies show that when antibiotics are routinely administered to animals, bacteria can adapt and cause drug-resistant infections in humans.⁵

Brinker International committed in 2019 to work toward the elimination of the use of medically important antibiotics in its chicken supply chains, but has failed to make a similar commitment to eliminating or reducing use of medically important antibiotics in its beef and pork supply chains. The Company acknowledges in its 2021 Sustainability Report the importance of optimizing beef and pork production practices to reduce the need for such antibiotics, but has failed to set any target date(s) or report measurable action on this issue.

Consumers are increasingly concerned about the use of antibiotics in meat, particularly since the start of the COVID-19 pandemic. Action beyond existing regulations is necessary to avoid this risk of widespread use of medically important antibiotics for disease prevention, and Brinker may be missing out on market growth opportunities. The antibiotic-free market is expected to grow through at least 2027, driven by consumer demand for antibiotic-free food products.

 $^3 https://www.scientificamerican.com/article/antibiotic-resistance-will-kill-300-million-people-by-2050/#:^:text=The%20true%20cost%20of%20antimicrobial,the%20global%20economy%20by%202050.$

¹ https://www.who.int/news-room/photo-story/photo-story-detail/urgent-health-challenges-for-the-next-decade?utm_source=STAT+Newsletters&utm_campaign=1931cb646b-

MR_COPY_02&utm_medium=email&utm_term=0_8cab1d7961-1931cb646b-150708293

² https://amr-review.org/

⁴ https://nam.edu/antibiotic-resistance-in-humans-and-animals/

⁵ https://www.theguardian.com/society/2022/apr/24/pigs-can-pass-deadly-superbugs-to-people-study-reveals)

⁶ https://brinker.cdn.prismic.io/brinker/c732a033-f2cf-40a1-86cf-69b62e217396_Brinker+Sustainability+Report.pdf

⁷ https://www.frontiersin.org/articles/10.3389/fvets.2021.678509/full

https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2014/11/gaps-in-fdas-antibiotics-policy; https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2021/04/fda-must-establish-limits-for-all-animal-antibiotics

⁹ https://www.marketwatch.com/press-release/antibiotic-free-meat-market-demand-with-advanced-technologies-industry-size-share-growth-opportunities-swot-analysis-revenue-manufacturers-strategies-development-statistics-2022-03-10



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Brinker is behind its peers in addressing this critical problem. The following major restaurant brands have acted to substantially reduce or end use of medically important antibiotics in their meat supply chains:

- Wendy's has set a goal to source 100% of its U.S. and Canadian beef, chicken, and pork from suppliers that prohibit the routine use of medically important antibiotics by 2030.
- McDonald's announced a policy to reduce the need for antibiotics in production of its food animals, applying the policy to 85% of its global beef supply chain
- The Cheesecake Factory is expanding use of 'No Antibiotics Ever' meat to beef and pork
- 99% of Panera's pork and 100% of its chicken is raised without antibiotics
- Denny's stopped purchasing any chicken treated with medically important antibiotics for its US restaurants in 2019

BE IT RESOLVED: Shareholders request that Brinker International report on measures the company is taking to end use of medically important antibiotics in its beef and pork supply chains.

SUPPORTING STATEMENT: Shareholders recommend the disclosure include, at board and company discretion:

- Strategies and timelines for reduction or elimination of medically important antibiotic use in beef and pork supply chains.
- Assessment of supplier animal welfare and sanitation standards which reduce the need for medically important antibiotics.